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No.7/LD/P/2005

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NOTIFICATION

The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 9th day of March, 2005 is hereby published for general information:-

**THE SIKKIM STATE AGRICULTURAL PRODUCE MARKETING
(DEVELOPMENT AND REGULATION) ACT, 2005**

ACT NO. 7 OF 2005

**AN
ACT**

to provide for improved regulation in marketing of agricultural produce, development of efficient marketing system, promotion of agri-processing and agricultural export and the establishment and proper administration of markets for agricultural produce in the State of Sikkim and whereas, it is expedient to put in place an effective infrastructure for marketing of agricultural produce and lay down procedures and systems thereto,

Be it enacted by the Sikkim State Legislature in the Fifty-sixth Year of the Republic of India as follows:-

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CHAPTER I

Preliminary

Short title extent and commencement

- 1 (1) This Act may be called "The Sikkim State Agricultural Produce Marketing (Development and Regulation) Act, 2005
- (2) It extends to the whole of State of Sikkim.
- (3) It shall come into force on the date of their publication in the official Gazette.

Definition

2. In this Act, unless the context otherwise requires.-
 - (1) "Agricultural Produce" means all produce and Commodities, whether processed or unprocessed, of agriculture, horticulture, apiculture, sericulture, livestock and products of livestock, fleeces (raw wool) and skins of animals, forest produce etc. as are specified in the schedule or declared by the Government by notification from time to time and also includes a mixture of two or more than two such products.
 - (2) "Agriculturist" means a person who is a resident of the notified area of the market and who is engaged in production of agricultural produce by himself or by hired labour or otherwise, but does not include any market functionary.

If a question arises whether any person is an agriculturist or not for the purpose of this Act, the decision of the Collector of the District in which such person is engaged in the production or growth of agricultural produce shall be final.

- (3) "Bill" means bill issued by the traders as prescribed.
- (4) "Board" means the State Agricultural Marketing Board, established under Section 60 of this Act.
- (5) "Business" means purchase-sale, processing, value addition, storage, transportation and connected activities of agricultural produce.
- (6) "Buyer" means a person, a firm, a company or cooperative society or Government Agency, Public Undertaking/ Public Agency or Corporation, Commission agent, who himself or on behalf of any other person or agent buys or agrees to buy agricultural produce in the market area as notified under this Act.
- (7) "Bye-laws" means the bye-laws made by the Market Committee under this Act.
- (8) "Chief Executive Officer" means the Chief Executive Officer of a Market Committee appointed under Section 36.
- (9) "Collector" means the Collector of the district or any officer empowered to discharge the duties of the Collector under the provisions of this Act.
- (10) "Commission Agent" means a person who on behalf of his principal trader and in consideration of a commission or percentage on the amount involved in such transaction buys agricultural produce and makes payment, keeps it in his custody and delivers it to the principal trader in due course or who receives and takes in his custody agricultural produce sent for sale within the market area or from outside the market area, sells the same in the market area and collects payment thereof from the buyer and remits the sale proceeds to his principal trader.
- (11) "Contract Farming" means farming by a person called "Contract Farming Producer" under a written agreement with another person called "Contract Farming Sponsor" to the effect that his farm produce shall be purchased as specified in the agreement.

Explanation: 'Contract Farming Producer' means individual agriculturist or association of agriculturists by whatever name called registered under any law for the time being in force. In North Eastern States where the ownership or control over the agricultural lands lies with village panchayats or similar bodies legally recognized, such body will be treated as 'Contract Farming Producer'.

- (12) "Contract Farming Agreement" means the agreement made for contract farming between Contract Farming Sponsor and Contract Farming Producer.
- (13) "Director" means the person appointed, by the State Government by notification, as Director of Agricultural Marketing and includes any officer or officers empowered by the State Government by notification, to exercise or perform such of the powers or functions of the Director under the provisions of this Act or the Rules or the Bye-laws made there under as may be specified in such notification.
- (14) "Export" means dispatch of agricultural produce outside India.
- (15) "Exporter" means such person/firm who exports agricultural produce.
- (16) "e-trading" means trading in which billing, booking, contracting, negotiating information exchange, record keeping and other connected activities are done electronically on computer network/internet.
- (17) "Hamal" means a laborer, hamal or coolie engaged for Dara-making, loading, unloading, filling, stitching, emptying or carrying any agricultural produce in the notified market area.
- (18) "Import" means bringing agricultural produce from outside India.
- (19) "Importers" means such person/firm who imports agricultural produce from outside India.
- (20) "License" means - license granted under this Act.
- (21) "Licensee" means a person or association, firm, company, public sector undertaking or society holding a license issued under this Act.
- (22) "Local authority" means for the purpose of representation on the Market Committee in relation to an area within the local units of (i) in any Municipal area, the Municipal Corporation, the Municipal Council, the Cantonment Board, the Sanitary Board, the Town Board, Town Improvement Trust or the notified committee or Local authority for the area; (ii) In any rural area, the Zila Parishad, the Village Panchayat, or Panchayat Samiti, Taluka Panchayat or the Nagar Panchayat, or Gaon/Gram Panchayat, Mokhum - Parishad or any other named constituted under the Panchayat Act of respective state.
- (23) "Managing Director" means the managing director of The State Agricultural Marketing Board appointed under this Act.
- (24) "Market" means a market established under Section 4 which includes market area, market yard/sub yards and Market Committee.
- (25) "Market Area" means area notified under Section 4 of this Act.
- (26) "Market Charges" includes charges on account of or in respect of commission, brokerage, weighing, measuring, hammali (loading, unloading, and carrying), cleaning, drying, sieving, stitching, stacking, hiring, gunny bags, stamping, bagging, storing, warehousing, grading, surveying, transporting and processing.
- (27) "Market Committee" means the agricultural produce Market Committee established under this Act.
- (28) "Market Functionary" means a trader, a commission agent, buyer. Hamal, Processor. a stockiest, a trader and such other person as may be declared under the rules or Bye-laws to be a market functionary.
- (29) "Market Yard" in relation to a market area means a specified place and includes any enclosures, buildings or locality declared as such in any market area by the State Government or the Director or the Managing Director by notification.
- (30) "Marketing" means all activities involved in the flow of Agricultural produce from the production points commencing from the stage of harvest till these reach the ultimate consumers viz. grading, processing, storage, transport, channels of distribution and all other- functions involved in the process.
- (31) "Notified Agricultural Produce" means any agricultural produce notified under Section 4 of this Act.
- (32) "Other Backward Classes" means the other backward classes of Citizens as specified by the State Government from time to time.
- (33) "Prescribed" means prescribed by rules made under this Act.

- (34) "Private Market Yard" means such place other than the market yard/sub market yard in the market area where infrastructure has been developed and managed by a person for marketing of notified agricultural produce holding a license for this purpose under this Act.
- (35) "Processing" means any one or more of a series of treatments relating to powdering, crushing, decorticating, desusking, parboiling, polishing, grinding, pressing, and curing or any other manual, mechanical, chemical or physical treatment to which raw agricultural produce or its product is subjected to.
- (36) "Processor" means a person who undertakes processing of any, notified agricultural produce on his own accord or on payment of a charge.
- (37) "Registration" means registration done under this Act.
- (38) "Regulation" means regulation made by the Board/Director, in accordance with the provisions of this Act.
- (39) "Retail Sale" in relation to a notified agricultural produce means a sale not exceeding such quantity as the Market Committee may by bye-laws, determine to be a retail sale in respect thereof.
- (40) "Rules" means rules made under this Act by the State Government.
- (41) "Scheduled Castes" and "Scheduled Tribes" shall carry the same meaning as assigned to them under clause (24) and (2) respectively of Article 366 of the Constitution of India.
- (42) "Seller" means a person who sells or agrees to sell any agricultural produce.
- (43) "Special Market" means a market notified as such and includes special commodity market.
- (44) "Sub-Market yard" in relation to a market area means a specified place other than Market Yard and includes ' any enclosure, building or locality, declared as such in any market area by the State Government or the Director /Managing Director by notification.
- (45) "Trader" means a person who in his normal course of business buys or sells any notified agricultural produce, and includes a person engaged in processing of agricultural produce, but does not include an agriculturist.
- (46) "Transportation" means taking agricultural produce by truck or other vehicle in course of business for marketing from one place to another.
- (47) "Transporter" means a person who transports agricultural produce.
- (48) "Value addition" means processing, grading, packing or other activities due to which value is added to agricultural produce.
- (49) "Year" means the year as may be notified by the Government from time to time.
- (50) "Schedule" means Schedule prepared by under the Act.
- (51) "Market Committee Fund" means any money received by the Market Committee by way of arbitration fee or security deposit and other fund prescribed in the rules and bye-laws.

CHAPTER II

Establishment of Markets

Notification of Intention of developing and regulating marketing of Notified Agricultural produce in specified area

3. 1. Upon a representation made by any person Local authority or by the growers of any agricultural produce within the area for which a market is proposed to be established or otherwise, the State Government or the Director or the Managing Director may, by notification and in such other manner as may be prescribed, declare its intention of developing and regulating the marketing of such agricultural produce and in such area as may be specified in the notification.
2. A notification under sub-section (1) of Section 3 shall state that any objection or suggestion which may be received by the State Government or the Director or the Managing Director within a period of not less than thirty days, to be specified in the notification shall be considered by the State Government. /Director Managing Director.

Declaration of market area and development and regulation of marketing of specified agricultural produce therein

4. After the expiry of the period specified in the notification issued under section 3 and after considering such objections and suggestions as may be received before such expiry and making such inquiry, if any, as may be necessary, the State Government or the Director/Managing Director may, by notification, declare the area specified in the notification issued under Section 3 or any portion thereof to be market area for the purpose of this Act and that marketing of all or any of the kinds of agricultural produce specified in the notification issued under section 3 shall be developed and regulated under this Act in such market area.

Market Yards, Sub-Market Yards, Farmers/ Consumer/ Farmers market and Private Market

5. (1) In every market area, there may be-
 - (i) market yard managed by the Market Committee,
 - (ii) One or more than one sub market yards managed by the Market Committee,
 - (iii) One or more than one private market yards/ Market. Private markets managed by a person other than a Market Committee,
 - (iv) One or more than one farmers/ consumer markets managed by a person other than a Market Committee.
- (2) The State Government shall, as soon as may be, after the issue of notification under Section 4, by notification, declare any specified place including any structure, enclosure, open place, or locality in the market area to be a market yard or sub-market yard, as the case may be and

Notification of intention to alter limits of or to amalgamate or to split up market area to di-established a market

6. (1) The State Government may, by notification, signify its intention :-
 - (i) to alter the limits of a market area by including within it any other area in the vicinity thereof or by excluding thereof any area comprised therein; or
 - (ii) To amalgamate two or more market areas and constitute one Market Committee thereof; or
 - (iii) To split up a market area and to constitute two or more Market Committees thereof; or
 - (iv) To de-establish a market;
 - (v) To modify the list of agricultural produce to be regulated in the market.
- (2) Every notification issued under sub-section(1) of Section 6 shall define the limits of the area which is intended to be included in or excluded from a market area, or of the market area intended to be amalgamated into one , or of the area of each of the markets intended to be constituted after splitting up an existing market area or of the area of the market intended to be de-establish, as the case may be, and shall also specify the period which shall not be less than six weeks within which objections, if any, shall be received by the State Government.

Procedure subsequent to notification under Section 6

- 7 (1) Any inhabitant of the market area or of the areas affected by the notification issued under sub-section (1) of Section 6 may, if he objects to anything contained therein, submit his objections in writing to the State Government within the period specified for this purpose.
- (2) When the period specified in the said notification has expired and the State Government has considered and passed orders on such objection as may have been submitted to it within the said period, the State Government may, by notification.-
 - (a) Include the area or any part thereof in the market area or exclude it there from;
 - (b) constitute a new Market Committee for the market area amalgamated; or
 - (c) Split up an existing market area and constitute two or more Market Committees for such areas, as the case may be; or
 - (d) De-establish the market;
 - (e) Publish modified list of agricultural produce to be regulated in the market.

Effect of alteration of limits

8. (1) Where a notification under Section 6 has been issued excluding any area from the market area and including any such area in any other market area, the State Government shall after consulting the Market Committee involved frame a scheme to determine what portion of the assets and other properties vested in one Market Committee shall vest in the other Market Committee and in what manner the liabilities of the Market Committees shall be apportioned between the two Market Committees and such scheme shall come into force on the date of publication in the Gazette.

Power of State Government to issue consequential order with respect to constitutions, etc. of market committees on alteration of limits, amalgamation or splitting up

- 9 (1) Where a notification under Section 6 has been issued the State Government may pass such consequential orders as it may deem fit in respect of:-
- (a) Where a notification is issued under sub-section (2) of Section 7 excluding area from any market area and such excluded area is not declared to be separate market area or a notification is issued under sub-section (2), including any area within the market area, the Market Committee constituted for such market area before the date of such exclusion or inclusion shall notwithstanding anything contained in this Act, continue to be the Market Committee for the said market area until the reconstitution of such Market Committee under this Act.
- (b) In the event of amalgamation of dissolved Market Committee, the committee-in-charge shall consist of the following members. Namely:-
- i) A Chairman to be nominated by the State Government/ Director/ Managing Director;
 - ii) Ten representatives of Agriculturists to be nominated by the State Government/ Director/ Managing Director;
 - iii) One representative of Traders to be nominated by the State Government/ Director/ Managing Director;
 - iv) One representative of the Cooperative Marketing Society functioning in the market area to be nominated by the State Government/ Managing Director/ Director;
 - v) An Officer of Agriculture/ Cooperation Department working in the district to be nominated on the recommendation of the Collector/ Director);
 - vi) One member of the Weigh men and Hammals operating in the market area holding license from the Market Committee to be nominated by the registered union of Hamal & Weigh men;
 - vii) One representative of the Local authority of the headquarter of the committee (Chairman of Nagarpalika/ Mahanagarpalika, Panchayat Samiti or Zilla Parishad as the case may be);
- (c) Where in case of split up of a Market Committee each committee-in-charge consisting of a Chairman, Ten representatives of Agriculturists and a representative of Traders shall be constituted:
- Provided that-
- i) Chairman of the dissolved Market Committee shall be nominated Chairman of the newly established Market Committee of which he is a voter and for the other Market Committee. The State Government shall nominate a Chairman who possesses the qualifications prescribed in sub-section (1) of Section 15;
 - ii) Representative of agriculturists of dissolved Market Committee shall also be nominated as member of newly established Market Committee of which he is voter and remaining representatives of the agriculturists shall be nominated by the State Government who possesses the qualifications prescribed in sub-sections (1), (2) and (3) of Section 14C;
 - iii) Representative of traders of the dissolved Market Committee shall be nominated as a member of the newly established Market Committee of which he is a voter

and for the other Market Committee, the State Government shall nominate such licensee trader as representative of traders who possesses the qualifications prescribed in clause (c) of sub-section (1) of Section 14C;

- iv) One representative of the Cooperative marketing society functioning in the market area to be nominated by the State Government / Managing Director / Director (who shall be elected by the managing committee of such society);
 - v) An officer of the Food Security & Agriculture Development / Horticulture & Cash Crop Development Department working in the district to be nominated on the recommendation of the Collector/ Director;
 - vi) One member of the Weigh men and Hammals operating to be nominated by the registered union of Hamal & Weigh men;
 - vii) One representative of the Local authority of the places where the Market Committee is located (Chairman of Nagarpalika/ Mahanagarpalika. Panchayat Samiti or Zilla Parishad as the case may be);
 - viii) The committee-in-charge constituted under sub-section (1) shall subject to the control of the Director/ Managing Director, exercise all the powers and perform all the duties of the Market Committee under this Act.
- (2) The provisions of constitution of a sub-section (1) as they apply to the constitution of a Market Committee first time under Section 14 shall apply to the Market Committee under sub-section (4) for a market established for the first time.

CHAPTER III Constitution of Market Committee

Establishment of Market committee and its incorporation

10. (1) For every market area, there shall be a Market Committee having jurisdiction over the entire market area.
- (2) Every Market Committee shall be a body Corporate Committee and by such name as the State Government or the Director may, by notification, specify. It shall have perpetual succession and a common seal and may sue and be sued in its corporate name and shall subject to such restrictions as are imposed by or under this Act, be competent to conduct and to acquire, hold, lease, sell or otherwise transfer any property and to do all other things necessary for the purpose for which it is established:
- Provided that no immovable property shall be acquired or transferred by way of sale, lease or otherwise without the prior permission of the Director/ Managing Director.
- (3) Notwithstanding anything contained in any enactment for the time being in force, every Market Committee shall for all purposes, be deemed to be a Local authority.

Vesting of property of Local Authority in Market Committee

11. (1) The Market Committee may require a Local authority to transfer to it any land or building belonging to the Local authority which is situated within the market area and which, immediately before the establishment of the market was being used by the Local authority for the purposes of the market and the Local authority shall within one month of the receipt of the requisition, transfer the land and or building, as the case may be, to the Market Committee on such terms as may be agreed between them.
- (2) Where within a period of thirty days from the date of receipt of requisition by the Local authority under sub-section (1) no agreement is reached between the Local authority and the Market Committee under the said sub-section, the land or building required by the Market Committee shall vest in the Market Committee for the purposes of this Act and the Local authority shall be paid such compensation as may be determined by the Collector under sub-section (5).

Provided that no compensation shall be payable to a Local authority in respect of any land or building this had been vested in it by virtue of the incurred by the State Government in connection with the acquisition, the land shall vest in the board or the Market Committee, as the case may be:

Provided that once a proposal is made by the Market Committee, it shall not be withdrawn by it except for such reasons as may be approved by the State Government.

- (12) The Board or the Market Committee shall not without the previous sanction of the State Government transfer any land which has been acquired for this purpose by the Board or the Market Committee under sub-section (1) or divert such land to a purpose other than the purpose for which it has been acquired:

Provided that the premises used for market yard, sub market yard or for the purpose of the Board shall not be deemed to be included in the limits of the Municipal Corporation, Municipal Council Notified Area, Gram Panchayat or a Special Area Development Authority, as the case may be.

***Appointment of
Office-in-Charge of
Market committee
pending constitution
of first Market
Committee***

13. (1) When a Market Committee is established for the first time under this Act, the State Government or the Director or Managing Director shall by an order appoint;

A person to be the officer-in-charge for a period not exceeding two years, or a committee-in-charge for a period not exceeding two years. The members of the Market Committee may be appointed from among persons representing the same interests and in the same proportion as specified in Section 14. The Officer-in-Charge or the Committee-in-charge shall subject to the control of the Director/Managing Director, exercise all the powers and perform all the duties of the Market Committee under this Act:

Provided that the State Government or the Director may at any time during the period aforesaid appoint committee-in-charge in place of Officer-in-Charge and officer-in-charge in place of Committee-in-charge as the case may be, so appointed shall hold office or shall function for the remainder of the period available to its predecessor:

Provided that in the event of death, resignation, leave or suspension of the Officer-in-charge, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled, as soon as may be, by appointment of a person thereto by the State Government or the Director / Managing Director and until such appointment is made, a person nominated by Director/Managing Director shall Act as Officer-in-charge:

Provided that if the Market Committee is constituted before the expiry of the period aforesaid the officer- in-charge shall cease to hold office or the committee-in-charge shall cease to function on the date appointed for the first general meeting of the newly constituted Market Committee.

- (2) In the event of a vacancy occurring on account of death, resignation or otherwise of the members of the Market Committee-In-charge, the vacancy shall be filled in by fresh appointment by the State Government or the Director or the Managing Director.
- (3) Any officer-in-charge or any or all persons appointed as the committee-in-charge under clause (a) of sub-section (1) may at any time be removed by the Director/Managing Director who shall have power to appoint another person or persons, as the case may be, in his or their place or places.
- (4) Every person appointed officer-in-charge under sub-section (1) shall receive from the Market Committee fund for his services such honorarium and allowances as may be fixed by the Director/Managing Director and every member of the committee-in-charge shall be entitled to receive from the Market Committee

fund. Allowances at such rate at which allowances are payable to members of the Market Committee.

**Constitution of
Market Committee**

14. (1) Every Market Committee shall consist of the following members, namely
- (i) Five members shall be agriculturists possessing such qualifications as may be prescribed to be elected by the Managing Committee members of the primary agricultural cooperative societies functioning in the market area and by the Sarapanch and members of the Village Panchayat of which two shall be elected from amongst the committee members of Primary Agricultural Societies:

Provided further out of 5 representatives of agriculturist at least one shall belong to each of the following sections of the society -

- 1. Scheduled Caste/Tribe (one member)
- 2. Other Backward Class (one member)
- 3. Most Backward Class (one member) (Women):

Provided further that no agriculturist will be eligible to be elected as representative of agriculturists unless he has sold agricultural produce in the market in proceeding two successive years:

Provided further if the committee is established first time, then no agriculturist will qualify to be elected as a representative of agriculturist unless he has sold agricultural produce in the market during the last six months;

- (ii) Two members shall be licensed traders elected amongst them in the manner prescribed;
- (iii) One member shall be a representative of the Co-operative Marketing Society/, which has the headquarters within market area:

Provided further if there is more than one such society the representative will be elected as prescribed;

- (iv) Two members shall be the Government nominees out of whom one member shall be the representative of the State Department of Food Security and Agriculture Development / Horticulture & Cash Crop Development /and District Collector Office each;
- (v) One representative of Local authority (Chairman of Nagarpalika from Municipalities, or Municipal Corporation Mahanagarpalika, Panchayat Samiti or Zilla Parishad as the case may be).

- (2) A member elected under clauses (i), (ii), (iii) and (vi) of sub-section (1) shall cease to hold office as such member if he ceases to be a member of the electorate by which he was elected.

- (3) The State Government may make rules to provide for the election of the members of the Market Committee, the authority which shall conduct election, determination of constituencies, the preparation and maintenance of the list of voters, disqualifications for being chosen as and for being, a member the right to vote, the payment of deposit and its forfeiture, election offences, the determination of election disputes and all matters ancillary thereto.

- (4) On the failure of the electorate mentioned in clause (i) and (ii) of sub-section (1) to elect a member or members referred to in the said clause after the proceedings have been started in accordance with the provisions of this Act or the rules made there under, the State Government shall nominate on behalf of the electorate concerned a person or persons qualified to be a member as member or members of the Market Committee.

- (5) Members of every Market Committee shall hold office for a period of five years from the date of the first general meeting of the Market Committee.

- (6) If within the period mentioned in sub-section (5) the Market Committee is not newly constituted, the Market Committee shall on the expiry of such period, be deemed to have been dissolved.

- (7) An elected member of the Market Committee may resign his office at any time by a letter in writing addressed to the Director/Managing Director to that effect and his office shall become vacant on expiry of fifteen days from the date of

such resignation unless within the said period of fifteen days he withdraws the resignation by another letter in writing addressed to the Director/ Managing Director.

- (8) In the event of the death, resignation or removal of a member before the expiry of his term of office, a casual vacancy shall be deemed to have occurred in office and such vacancy shall be filled as soon as may be by the election or nomination, as the case may be, of a person thereto as member, who shall take office forthwith and shall hold such office for the unexpired term of his predecessor; provided that no casual vacant shall be filled which occurs within a period of four months preceding the date on which his term expires.
- (9) The Chairman and other members of the Market Committee shall be paid from the Market Committee funds such honorarium, sitting fees, traveling allowances and other allowances as may be fixed by the Director/ Managing Director from time to time.

OR (Choose 14 or set of 14A, 14B, 14C, 14D)

***Constitution of
Market Committee***

- 14.A (1) A Market Committee shall consist of-
- (a) the Chairman elected under Section 17;
 - (b) Ten representatives of agriculturists possessing such qualifications as may be prescribed chosen by direct election from the constituencies of a market area in accordance with the provisions of this Act and the rules made there under:

Provided further that no agriculturist may be qualified to be elected as representatives of agriculturist unless he has sold agricultural produce in the market successively for last two years:

Provided further if the committee is established first time, then no agriculturist will qualify to be elected as a representative of agriculturist unless he has sold agricultural produce in the market during the last six months.

- (c) One representative of traders possessing such qualifications as may be prescribed, elected by and from amongst the persons holding registration from the Market Committee for a period of two successive years as traders or owners or occupiers of processing factories under this Acts:

Provided that in the case of Market Committee established for the first time under Section 13, the qualifying period of holding license from such Market Committee shall be six months:

Provided further if total number of registered traders for a period of their successive years is more than 100 then there will be two representatives:

Provided also that no person shall be a voter of more than one Market Committee at a time:

Provided also that no person shall be a voter unless.-

- i) he has completed the age of 18 year;
- (ii) he is not a defaulter of the Market Committee.

- (2) Every committee will have following committee members-

- (a) One representative of the Cooperative Marketing Society functioning in the market area who shall be elected by the managing committee of such society:

Provided that if more than one such society functions in the market area, such member shall be elected by all the members of the managing. Committees of such societies:

Provided further that nothing in this clause shall apply if the managing committee of any society stands superseded under the provisions of the State Co-operative Societies Act;

- (b) An Officer of the Food Security Agriculture Development Department of the State Government to be nominated by the Collector/ Director;
- (c) One representative of the Weigh men and hammals operating in the marketing area holding license from the Market Committee to be nominated by the Chairman of the Market Committee ;
- (d) One representative of the Gram Panchayat or Zilla Panchayat that falls within the jurisdiction of the market area nominated by the Chairperson of the Zilla Panchayat:

Provided that in the Market Committee situated at the District headquarters the representative shall be nominated from amongst the members of the Zilla Panchayat only.

- (3) Only members under sub-section (1) shall have a right to vote.
- (4) The State Government may make rules for the preparation of voters' list and conduct of election.
- (5) If the electorate under clause (b) or (c) of subsection (1) fails to elect a representative, the Collector shall nominate the representative of the agriculturists or traders, as the case may be.
- (6) Every election and nomination of the member shall be notified by the Collector in the Official Gazette.

Division of Market Area for constituencies and reservation of seats

- 14B.(1) The Collector shall by notification divide a market area into as many numbers of constituency's equal 32 to the number of the representatives of the agriculturists to be chosen from that area.
- (2) Seats shall be reserved for Scheduled Castes and Scheduled Tribes in every Market Committee and the number of seats so reserved shall bear as nearly as may be the same proportion to the total number of seats to be filled in that Market Committee as the population of Scheduled Castes or Scheduled Tribes in that Market area bears to the total population of that area and such seats shall be allotted to the constituencies in the prescribed manner.
- (3) Where the total number of seats belonging to Scheduled Castes and Scheduled Tribes in a market area is fifty percent or less than fifty percent, twenty five percent of total number of seats shall be reserved for Other Backward Classes.
- (4) Not less than one third of the total number of seats reserved under sub-sections (2) and (3) shall be reserved for women belonging to Scheduled Castes or Scheduled Tribes or Other Backward Classes, as the case may be.
- (5) Not less than one third (including the number of seats reserved for women belonging to Scheduled Castes, Scheduled Tribes and Other backward Classes of the total number of seats shall be reserved for women and such seats shall be allotted by the Collector to different constituencies in the prescribed manner. (if the election is indirect, this will not apply).

Qualification to vote and to be representative of Agriculture

- 14C(1) Every person .-
 - (a) whose name is entered as Land owner in the village land records;
 - (b) who ordinarily resides in the market area;
 - (c) who has completed the age of 18 years; and
 - (d) whose name is included in the voter's list prepared under the provisions of this Act and the Rules made there under: shall be qualified to vote at the election of a representative of agriculturists:
- Provided that no person shall be eligible to vote in more than one constituency.

- (2) No person shall be qualified to be elected as a representative of agriculturists unless-
 - (a) his name is included in the list of voters as agriculturist of the market area;
 - (b) he is an agriculturist;
 - (c) he is otherwise not disqualified for being so elected.
- (3) No person shall be eligible for election from more than one Market Committee or constituency as the case may be.

First meeting, terms of officer, resignation by Chairman, vice-Chairman or Member and vacancy in their office

- 14D. (1) The first meeting of the Market Committee shall be convened by the Collector within one month from the date of publication of result of election of and members in the official gazette.
- (2) The Chairman, Vice Chairman and members of the Market Committee shall hold office for a period of their five years from the date of the first meeting of Market Committee provided that if on the expiry of the term of the Market Committee, a new Market Committee is not constituted the Market Committee shall be deemed to have been dissolved and in such an event the provisions of Section 13 shall apply.
- (3) The Chairman, Vice Chairman or a member may resign his office at any time in writing addressed to the Collector and such resignation shall be effective from the date of its acceptance by the Collector.
- (4) Any person who is elected as a Chairperson or Vice Chairperson of a Municipal Corporation, Municipal Council, Nagar Panchayat, Panchayat or Cooperative Society is elected as Chairperson or Vice Chairperson of the Market Committee or vice versa may, by notice in writing signed by him and delivered to the Collector prescribed authority within thirty days from the date, or the later of the dates, on which he is elected, intimate in which of the office he wishes to serve, and thereupon, his seats in the body in which he does not wish to serve, shall become vacant and in default of such intimation within the aforesaid period, his seat in the Market Committee shall, on the expiration of that period, become vacant.
- (5) In the event of death, resignation, or removal of the Chairman, Vice Chairman or a Member before the expiry of his term or on the occurrence of a vacancy under sub-section (4), or otherwise, a casual vacancy shall be deemed to have occurred in such office and such vacancy shall be filled within six months by election in accordance with the provisions of the Act and the Rules and a person so elected or nominated shall hold office for the unexpired portion of the term of his predecessor:

Provided that if the remaining term of the office is less than six months, such vacancies shall not be filled in.
- (6) In the event of occurrence of any vacancy in the office of the Chairman by reason of his death, resignation or removal or otherwise the Vice Chairman and if the office of the Vice Chairman is also vacant then notwithstanding anything contained in this Act, such a member of the Market Committee who is elected under clause (1) of sub-section (1), of Section 14, as the Collector may appoint shall exercise powers and perform the functions of the Chairman till the Chairman is duly elected.

Chairman and Vice-Chairman of Market Committee

15. (1) Every Market Committee shall have a Chairman and Vice-chairman a Vice-Chairman. The Chairman and Vice-Chairman of Market shall be elected by the elected members of the Committee Market Committee from amongst those who are representatives of agriculturists.
- (2) After every general election, the Market Committee shall elect the Chairman and Vice-Chairman at its first general meeting, which shall be convened by the Director/Managing ,Director/Collector within one month of the general election.

The Chairman and Vice-Chairman so elected shall hold office for the full term from the date on which they enter upon their respective offices.

- (3) The Chairman and Vice-Chairman shall notwithstanding the expiry of their term of office, continue to hold office until their successors enter upon their office.
- (4) The meeting convened for the election of the Chairman and Vice-Chairman shall be presided over by the Director/Managing Director or any officer authorized by him in this behalf. The Director/Managing Director or such officer, when presiding over the meeting, has the same powers as the Chairman when presiding over a meeting of the Market Committee, but shall not have the right to vote.
- (5) If in the election of a Chairman or Vice-Chairman there is an equality of vote, the result of the election shall be decided by lots to be drawn in the presence of the officer presiding in such manner as he may determine.
- (6) In the event of dispute, arising as to the validity of the election of a Chairman or Vice-Chairman the Collector, if he is the presiding officer shall decide the dispute himself and in any other case officer presiding shall refer the dispute to the Collector for decision. The decision of the Collector shall be final and no suit or other proceedings shall lie in any Court of Law in respect of such decision.

OR

***Election of Chairman
and Vice-Chairman***

- 15A.(1) The Chairman shall be chosen by direct election by the persons qualified to vote for the election of representatives of the agriculturists and traders in the prescribed manner:

Provided that no person shall be eligible for election as Chairman unless he is qualified to be elected under sub-sections (2) and (3) of Section 14C.

- (2) The offices of the Chairman shall be reserved for the Scheduled Castes and Scheduled Tribes and the number of offices so reserved shall bear, as nearly as may be, the same proportion to the total number of such offices in the State as the population of the Scheduled Castes and Scheduled Tribes in the State bears to the total population of the State and these offices shall be allotted, by the Director/Managing Director to the Market Committees in the prescribed manner.
- (3) Twenty five percent of the total number of offices of Chairman shall be reserved for Other Backward Classes and such seats shall be allotted in the prescribed manner by the Director/Managing Director, to such Market Committees, which are not reserved for Scheduled Castes or Scheduled Tribes.
- (4) Not less than one third of the total number of offices of Chairman reserved under sub-sections (2) and (3) shall be reserved for women belonging to Scheduled Castes or Scheduled Tribes or Other Backward Classes, as the case may be.
- (5) Not less than one third (including the number of offices) reserved for women belonging to the Scheduled Castes and Scheduled Tribes and Other Backward Classes of the total number of offices of Chairman in the State shall be reserved for women and such offices shall be allotted by the Managing Director to different Market Committees in the prescribed Manner.
- (6) No person shall be eligible to contest election simultaneously for office of the Chairman and member.

- (7) If any market area fails to elect a Chairman fresh election proceedings shall be initiated to fill the office within six months:

Provided further that pending the election of Chairman under this sub-section the Vice-chairman shall discharge all the functions of the Chairman.

- (8) There shall be a Vice-Chairman of the Market Committee who shall be elected by and from amongst the elected member thereof in the first meeting of the Market Committee, convened under sub-section(1) of Section 14 in the prescribed manner:

Provided that if the Chairman of the Market Committee does not belong to Scheduled Castes, Scheduled Tribes or Other Backward Classes, the Vice Chairman shall be elected from amongst the elected members belonging to such castes, tribes or classes:

Provided further that no person shall be eligible for election as Vice-Chairman unless he is an agriculturist.

- (9) Every election of Chairman and Vice-chairman shall be notified in the office Gazette by the Collector.

*Resignation by
Chairman and Vice-
Chairman and
vacancy in their
office*

16. (1) A member holding office of Chairman or Vice- Chairman may resign his office at any time in and Vice-writing addressed to the Collector/ Director and the Chairman office shall become vacant on the expiry of fifteen days and vacancy in clear days from the date of such resignation, unless their office within the said period of fifteen days he withdraws the resignation in writing addressed to the Collector/ Director.
- (2) Every Chairman and Vice-Chairman shall vacate office if he ceases to be a member of the Market Committee.
- (3) During the vacancy caused by death, resignation, removal or otherwise in the office of the Chairman, the Vice-Chairman and if the office of Vice Chairman is also vacant then notwithstanding anything contained in this Act, such member of the Market Committee as the Collector may appoint, shall exercise the powers and perform the functions of the Chairman till the Chairman is duly elected.

*No confidence
motion against
Chairman and Vice-
Chairman*

17. (1) A motion of no confidence may be moved against the Chairman or the Vice-Chairman at a meeting specially convened for the purpose under sub-section (2) and if the motion is carried by a majority of not less than two-third of the members of the committee, cease to be the Chairman or Vice chairman as the case may be.
- (2) For the purpose of sub-section (1) a meeting of the Market Committee shall be held in the prescribed manner within thirty days of the date of receipt of the notice of motion of no confidence.
- (3) The Chairman or Vice-Chairman shall not preside over the meeting, but such meeting shall be presided over by an officer of the Government as the Collector/ Director/Managing Director may appoint for the purpose. However, the Chairman or Vice-Chairman as the case may be, shall have the right to speak and otherwise to take part in the proceedings of the meeting.
- (4) If the motion of no confidence is not accorded as aforesaid or if the meeting could not be held for want of quorum, no notice of any subsequent motion expressing vote of confidence in the same Chairman or Vice-Chairman shall be made until after the expiry of six months from the date of such scheduled meeting.